



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-884]

Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Final Results of the Expedited First Sunset Review of the Countervailing Duty Order

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) finds that revocation of the countervailing duty (CVD) order on certain hot-rolled steel flat products (hot-rolled steel) from the Republic of Korea (Korea) would be likely to lead to the continuation or recurrence of countervailable subsidies at the levels indicated in the “Final Results of Sunset Review” section of this notice.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Nathan James, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5305.

SUPPLEMENTARY INFORMATION:

Background

On October 3, 2016, Commerce published in the *Federal Register* the CVD order on hot-rolled steel from Korea.¹ On September 1, 2021, Commerce published the notice of initiation of the first sunset review of the CVD order on hot-rolled steel from Korea, pursuant to section 751(c) of the Tariff Act of 1930, as amended (the Act).² Commerce received timely notices of

¹ See *Certain Hot-Rolled Steel Flat Products from Brazil and the Republic of Korea: Amended Final Affirmative Countervailing Duty Determinations and Countervailing Duty Orders*, 81 FR 67960 (October 3, 2016).

² See *Initiation of Five-Year (Sunset) Reviews*, 86 FR 48983 (September 1, 2021).

intent to participate from Cleveland-Cliffs Inc. (Cleveland-Cliffs), United States Steel Corporation (U.S. Steel), California Steel Industries (CSI), Steel Dynamics Inc. (SDI), and Nucor Corporation (Nucor) (collectively, domestic interested parties).³ The domestic interested parties claimed interested party status under section 771(9)(C) of the Act, as domestic producers of hot-rolled steel.

On September 30, 2021, Commerce received a timely and adequate substantive response from the domestic interested parties.⁴ We received no substantive responses from any other interested parties, including the Government of Korea, nor was a hearing requested. On October 20, 2021, Commerce notified the U.S. International Trade Commission that we did not receive an adequate substantive response from any respondent interested parties.⁵ As a result, pursuant to 751(c)(3)(B) of the Act and 19 CFR 351.218(e)(1)(ii)(C)(2), Commerce conducted an expedited (120-day) sunset review of the CVD order on hot-rolled steel from Korea.

Scope of the Order

The product covered by this order is hot-rolled steel. For a full description of the scope, *see* the Issues and Decision Memorandum.⁶

Analysis of Comments Received

All issues raised in this sunset review are addressed in the accompanying Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the topics discussed in the Issues and Decision Memorandum is attached as an appendix to this notice.

³ *See* Cleveland-Cliffs' Letter, "Five-Year ('Sunset') Review Of Countervailing Duty Order On Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Notice Of Intent To Participate In Sunset Review," dated September 16, 2021; U.S. Steel's Letter, "Five-Year ('Sunset') Review of Antidumping and Countervailing Duty Orders on Certain Hot-Rolled Steel Flat Products from the Republic of Korea: Notice of Intent to Participate," dated September 16, 2021; CSI/SDI's Letter, "Notice of Intent to Participate in the First Five-Year Review of the Countervailing Duty Order on Hot-Rolled Steel Flat Products from Korea," dated September 16, 2021; and Nucor's Letter, "Hot-Rolled Steel Flat Products from the Republic of Korea: Notice of Intent to Participate in Sunset Review," dated September 16, 2021.

⁴ *See* Domestic Interested Parties' Letter, "Substantive Response to Notice of Initiation of Sunset Review," dated September 30, 2021.

⁵ *See* Commerce's Letter, "Sunset Reviews Initiated on September 1, 2021," dated October 20, 2021.

⁶ *See* Memorandum, "Issues and Decision Memorandum for the Final Results of the Expedited First Sunset Review of the Countervailing Duty Order on Certain Hot-Rolled Steel Flat Products from the Republic of Korea," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Final Results of Sunset Review

Pursuant to sections 751(c)(1) and 752(b) of the Act, Commerce determines that revocation of the order would be likely to lead to the continuation or recurrence of countervailable subsidies at the rates listed below:

Producer/Exporter	Subsidy Rate (percent)
POSCO	41.64
Hyundai Steel Co., Ltd	3.98
All Others	3.89

Notification Regarding Administrative Protective Order (APO)

This notice also serves as the only reminder to parties subject to an APO of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(c), 752(b), and 777(i)(1) of the Act, and 19 CFR 351.218.

Dated: December 29, 2021.

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations,
Performing The Non-Exclusive Functions And Duties Of The
Assistant Secretary for Enforcement and Compliance.

Appendix

List of Issues Addressed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
- IV. History of the Order
- V. Legal Framework
- VI. Discussion of the Issues
 - 1. Likelihood of Continuation or Recurrence of Countervailable Subsidies
 - 2. Net Countervailable Subsidy Rates Likely to Prevail
 - 3. Nature of the Subsidies
- VII. Final Results of Review
- VIII. Recommendation